

Business plan for a sushi restaurant

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Abstract <p>The thesis contains a business plan for a sushi restaurant in Jyväskylä. A business plan works as a tool when starting up a business, as well as an aid to meet the goals and follow the objectives of the business.</p> <p>The thesis starts with a theory part with thorough information about the structure of a typical business plan, how to write it and who can use it. The business plan contains the business concept, overview of products and services, marketing strategies, the plan for management structure and organization, SWOT-analysis and financial part. It is partly practice-based thesis, since it is based on the author's own observations and ideas, as well as created through semi-structured interviews with professionals in restaurant business.</p> <p>The result was a business plan which works as a solid base for a sushi restaurant in Jyväskylä. Financial plan and the calculation of profitability are based on the information of the interviewees, since the restaurant was not running at the time of the thesis.</p>		
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1 INTRODUCTION

Making a proper business plan is vital for new entrepreneurs. It is about determining the viability of your business and clarifying your vision. This helps you to create concrete goals and plan ahead, instead of having shady visions and dreams you would try to achieve with no success. In addition, your possible partners, investors, everyone who would be connected somehow to your business want a solid proof that your idea is actually realistic and has a great possibility for profit. This can be done by presenting a well-done business plan.

Food business will be always around, at least in some form. Higher economic levels, increasing mobility and more women putting career at first increase the amount of restaurant customers. Still, according to Brown (2007, 23) over 55 percent of the new restaurants failed during the three year period (1996-1999). The high failure rate is simply caused by the fact that people establish a restaurant without the needed knowledge and needed amount of funding, which is the reason they end in financial disaster. (Brown, 2007, 23.)

1.1 Background

The food culture in Jyväskylä is surprisingly undeveloped, considering the rich variety of cultures and social groups active and wide student life brings to the city. According to my own experiences, even though multiple student restaurants serve satisfying food daily for a really good price, students are occasionally willing to pay more and eat better outside.

Sushi as a food has gained huge popularity over the years and new, successful sushi-restaurants has been established over Helsinki and some other cities in Finland (Aspiala, 2011). In Jyväskylä, apart from a couple of thai - buffet's, you cannot get decent sushi anywhere. Speaking of these Thai buffet's, the quality of sushi is not admirable, and still during the busiest lunch time it is impossible to get any due to huge popularity. A simple sushi bar, without any complexity and fine-dining image is something Jyväskylä is missing.

1.2 The goal of the thesis

This thesis is about creating a business plan for a sushi restaurant in Jyväskylä. The thesis will consist of a thorough theory section and the business plan as an appendix. The goal is to

answer the questions *how would a proper business plan be like and would a sushi restaurant work in Jyväskylä*. The business plan structure is based on the business plan template in The Restaurant Managers Handbook (Brown, 2007).

"Practice-based Research is an original investigation undertaken in order to gain new knowledge partly by means of practice and the outcomes of that practice (Candy, 2006)." The thesis will follow the principles of practice-based thesis, but instead of creating new data through practice and theory section I will execute interviews with various faces in restaurant business. Creating the business plan with professionals in the field makes it possible to really examine if the plan is viable or not.

It is not in my immediate interests to execute this business plan. However, the field interests me greatly and this thesis will be a solid base for my restaurant business when the time comes. All the financial calculations and estimates must be calculated again if the plan will be used in the future.

2 ENTREPRENEURSHIP

In the *Oxford English Dictionary* the word 'entrepreneurship' is defined as 'a person who attempts to profit by risk and initiative'. This emphasizes that entrepreneurs are willing to take a high degree of risk and they exercise a high degree of initiative. (Burns, 2011, 11.)

The definition above however raises questions, because you can include assassins and basically all criminals into the category of entrepreneurship. Burns himself defines the term in the following way (2011, 13): *Entrepreneurs use innovation to exploit or create change and opportunity for the purpose of making profit. They do this by shifting economic resources from an area of lower productivity into an area of higher productivity and greater yield, accepting a high degree of risk and uncertainty of doing so.*

2.1 Being an Entrepreneur

Burns (2011, 34) describes factors that influence the start-up decision and that drive people to be entrepreneurs. Personal character traits that entrepreneurs have are:

Need for independence

The need to be your own boss is a strong trait for entrepreneurs and owner-managers. Independency often means different things to different people, like controlling your own destiny and fulfilling your whole potential.

Need for achievement

Doing work that does not motivate nor reward you in any way is a common fear. The satisfaction of producing a beautiful work and possible public recognition of achievement are strong drivers to start up your own business.

Internal locus of control

Internal locus of control basically means that you believe having a total control of your own life and destiny. Having an external locus of control, which means you believe in fate, you are less likely to start up a business.

Ability to live with uncertainty and take risks

Risks and uncertainty are unavoidable when you have your own business. Most people are risk averse and they try to avoid risks at all times.

Opportunistic

Entrepreneurs basically seek out opportunities to make money. When there is a problem, entrepreneurs see opportunities. In addition, they often have problems on focusing on just one opportunity at a time. Having too many projects and opportunities at hand you are not able to grow your business beyond a certain size.

Innovative

Innovation is often said to be more about seeing new opportunities for old designs, instead of recreating the wheel or rediscovering the gravity. Innovation is the greatest tool for entrepreneurs to change the problem into an opportunity.

Self-confident

If you do not believe in the success of your business, how can you expect others to do so? Especially when aiming to growth you will face uncertainty in every aspects, which needs self-confidence to get beyond.

Proactive and self-motivated

Entrepreneurial minds tend to be proactive and more decisive than other people. The irresistible urge to succeed in economic goals drives entrepreneurs forward stronger than the greed for money.

Visionary with flair

Having a clear visions of the goals you want to achieve is an important trait, as well as the right timing. The most innovative solution at a wrong time could lead to business failure.

Ability to live with uncertainty and take greater risks

Facing that amount of uncertainty and still aiming to growth forces entrepreneurs to take great risks, and often they are willing to risk it all, putting their homes on the line and all the eggs in one basket.

Other type of business owner called 'owner-manager' has only half of the traits above. Typically owner-manager runs trade- or craft-based firm as a lifestyle, with no pursuit of growth and wealth. An Entrepreneur aims to growth and wealth at all times. (Burns, 2011, 34 - 40.)

2.2 Business entity

According to Puustinen (2006, 94.), choosing the correct business entity creates a base for the success of the entrepreneur. That is why it is important to choose the most suitable form for the specific business. Factors affecting the suitability are the amount of entrepreneurs, wealth, the amount of risks wanted and taxation.

General partnership

General partnership is a form of company that needs at least two persons. The entrepreneurs manage their business by themselves and the profits are shared based on their work proportion. The founders are responsible of the debts of the company with their own assets, which means they also are responsible of the debts of each other. This is the reason why entrepreneurs who form general partnership have to be able to fully trust each other. (Puustinen, 2006, 98 – 99.)

Limited partnership

Limited partnership has similar traits to general partnership. Like Puustinen (2006, 99 – 100.) states it, the difference is that in limited partnership there has to be only one general partner and one or more limited partners. Limited partner invests his money to the company, but is not liable of company's debts with his personal assets. In addition, Puustinen states that limited partner does not have any authority on company's decisions. The share of profits limited partner earns is stated in the article of incorporation.

Joint-stock company

In a joint-stock company there is a clear difference between the assets of a company and the assets of an entrepreneur, if the entrepreneurs have not secured the debts of the company with their own assets. Joint-stock company is recommendable, if the operations of the company are wide and profitable. The taxation for the owner of a successful joint-stock company is comparatively soft. Forming a joint-stock company needs more capital, effort and paperwork than other business entities. In the joint-stock company there can be one or more entrepreneurs. (Puustinen, 2006, 100 – 101.)

Cooperative

Cooperative consist of independent entrepreneurs, and their main purpose is to support the business of other members instead of growth and profit. Starting up a cooperative needs at least three entrepreneurs. The responsibility of each member is limited to their own invested capital. (Puustinen, 2006, 102 – 104.)

Sole proprietorship

Sole proprietor is the easiest, cheapest and undisputedly most popular form of business in Finland. Any real person can be a sole proprietor, but companies cannot form sole proprietors as their subsidiaries. Forming a sole proprietor is really easy, it means you just have to report your name, contact information and the area you work in to the trade register. According to the law you do not need a single penny of capital or obligatory auditing as a sole proprietor. (Puustinen, 2006, 97.)

2.3 Restaurant Business

	Restaurant & hotel business in total	restaurants	hotels	cafeterias	Food services	Staff restaurants
Revenue	100,00	100,00	100,00	100,00	100,00	100,00
Resource use	-32,4	-32,4	-15,0	-43,9	-36,0	-36,1
Staff expenses	-27,1	-28,0	-24,6	-23,5	-37,0	-38,8
Other expenses	-28,9	-26,9	-50,8	-21,5	-17,3	-16,8
Operating profit	5,0	5,5	5,5	4,5	4,2	4,4
deprecations	-3,4	-3,5	-4,9	-2,4	-1,5	-1,1
PROFIT	1,7	2,0	0,6	2,1	2,8	3,0

table 1. Cost structure of restaurant & hotel business 2013

The table above describes the cost structure of hotel & restaurant business in 2013.

According to Mara (2014), restaurants in Finland are making profitable result. In addition, even though the amount of cafeterias and pubs has decreased, the amount of proper restaurants has increased slightly.

As Californian professor John Self stated during his lecture 04.11.2014, the most important thing to remember when planning to open a restaurant is to create a business plan. Self based this fact to numerous interviews he has conducted with failed restaurant owners.

3 BUSINESS PLAN STRUCTURE

In addition to describing the immediate goals, business plan is also a guide that shows how you want your business to develop in the future. A thorough business plan includes description of the product or service, type of business, management, marketing, operation, finances, and the company's objectives and goals. It gives a better understanding of your business and future goals. (Bird, 2004, 5-7.)

What is a business plan for? Bird (2004, 7 – 10) describes numerous reasons why a starting entrepreneur should write a business plan. In addition to providing a long term guide to progress, which is an important tool for business managers, a business plan is obligatory when obtaining financial backing. Banks, private investors, they all have to be convinced that your new business is viable and potential. A good business plan also may encourage possible partners, shows strengths and weaknesses and helps you to plan resources. (ibid., 7- 10.)

3.1 Business idea

The business idea should be so clear that you could describe it a couple of sentences. What is my business for and what it will exactly do are questions which answers will form the basis of your idea. The well-known elevator speech is based on the idea that if you meet an interested investor in an elevator, you can describe clearly and interestingly your whole idea in the time it takes to go to the right floor – which would be around 30 seconds. Pitching your idea sharply in one or two sentences is the goal you should reach. (Bird, 2006, 24-25.)

SMART

A way to test if your idea is waterproof is the SMART test. The test encourages you to ask correct questions about your business idea in various ways so you can really see if the idea is realistic or not. SMART consists of five stages:

Specific

You need to be able to describe your idea precisely. You would like to sell food is not a precise idea, you have to know exactly what it is you want to do.

Measurable

You have to decide how you can measure if your plan is successful or not. It can be the number of products sold, the number of your customers or a specific amount of profit you are aiming to reach.

Attainable

In order to keep your goals and ideas attainable, you have to have clear strategy to achieve them. If your timescale is unrealistic and you underestimate your resources, your business idea is unattainable.

Realistic

Selling snow to Greenland is not going to work. You have to have realistic plans on your operation range and the amount of customers you may have.

Timely

Right timing is not a joke. As mentioned above, even the brightest business ideas may fail due to wrong timing. No matter how innovative your idea is, customers have to be willing to adapt it.

SMART may be a setback for your business idea, but it also can give you various ways to improve it and make it realistic and working. If you get the SMART answers correct, you are on the right track to get a successful business plan. (Bird, 2006, 25-26.)

3.2 Restaurant concept

When entering to the restaurant business the concept of your restaurant has to be made clear. Everything from the logo to furnishings and uniforms should fit together into a whole that would appeal to the target market. The name of the restaurant might be the most

important factor when trying to gain popularity – a clear name that reveals your concept will find the people who would enjoy your food. (Walker, 2008, 68.)

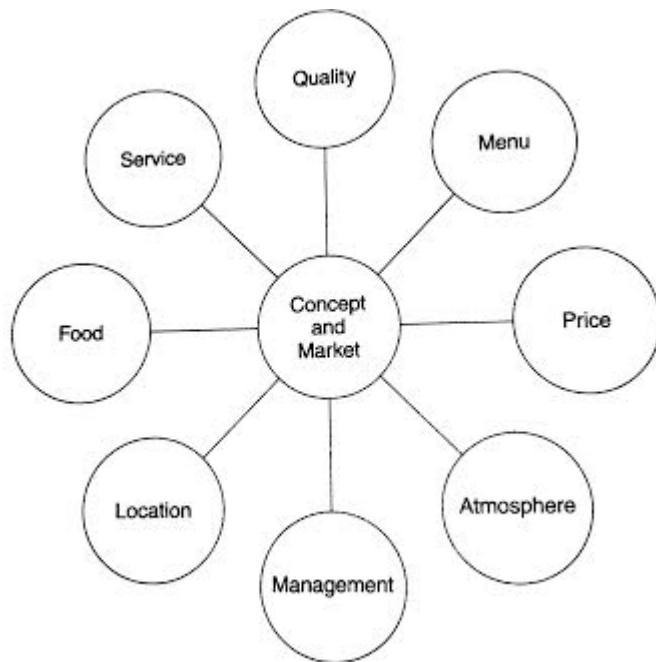


Figure 1. The concept and market comprise the hub around which the restaurant develops

No matter what your concept is, there always has to be a market to support it. For instance, a cafeteria next to a driveway relies on travelers to stop by for a coffee and a snack. Figure 1 explains how concept and market creates the center of the restaurant, supported by all the other factors from food to atmosphere. (Walker, 2008, 60.)

3.3 Products and services

Describing your products and services in the business plan will first of all help to develop your niche – the thing that makes your products and services unique, special and the best in the market. In a restaurant business plan you have to discuss about your services, including dining style and service levels, and clarify how these factors will affect the product quality and your advantage against your competitors. (Brown, 2007, 117.)

Menu is the most vital part when planning your restaurant. You have to take into account the needs and desires of guests, capability of cooks as well as availability of the ingredients. The simpler the menu, the less you need capability and consistency. However, a narrow set of options makes the menu even more crucial to plan carefully. (Walker, 2008, 208.)

3.4 Management structure and organization

The business entity of your choice will affect the way you operate and your tax structure. In addition, it will have an effect on ownership percentages and participation requirement. This is the reason Brown (2007, 117) recommends strongly to discuss about the most convenient business structure with your accountant and attorney. (ibid., 2007, 116-117.)

People are your greatest asset in the business. In order to create the most profitable management team you have to consider your own strengths and weaknesses and choose whether there would be someone more convenient for a certain job. Even if you can cook and take care of the financial part of your business, it may not be the most productive division of work. (Brown, 2007, 116-117.)

3.5 Marketing strategies

When starting up a new company you have to get familiar with the total market of your field and your own potential market share in the field. In addition, it is really important to know your competitors. An entrepreneur should know the amount of competitors, their products and their market shares. (Holopainen & Levonen 2003, 68.)

Researching your future market will minimize risk and uncertainty and gives you some vital information about how to choose your marketing strategy. The key question that needs to be answered through your market research is why people should buy from you instead of your competitors. In order to answer this question you have to find out who will buy, what do they buy, who are your competitors and why do people buy from them. (Burns, 2011, 182.)

	Field research	Desk research
Advantages	<ul style="list-style-type: none"> ▷ Reflects your needs ▷ You control quality ▷ Up-to-date 	<ul style="list-style-type: none"> ▷ Cheap ▷ Quick ▷ Good for background information
Disadvantages	<ul style="list-style-type: none"> ▷ Expensive ▷ Takes time ▷ Can tell competition what you are up to 	<ul style="list-style-type: none"> ▷ Not specific to your business ▷ Can be incomplete or inaccurate ▷ Can be out-of-date

Table 2. Field vs. desk research

The table above describes the advantages and disadvantages of field versus desk research. Field research may include face-to-face interviews, surveys via telephone or postal questionnaires. It can be expensive and time consuming but also very rewarding and 100% up-to-date. (Burns, 2011, 183.)

Desk research can involve data from newspapers, magazines, trade journals and directories that may be available at the local business library. Desk research is a way to provide information on various areas, such as product developments, customer needs, competitors and market trends. However, usually the information about local trends and markets are important for start-up companies, so Chambers of Commerce and other local sources are the most convenient ones. (Burns, 2011, 184.)

The 5 p's of marketing

All the aspects of customer marketing are about demand. You have to recognize, satisfy, create and control the demand in order to have a successful customer base. The marketing tactics you can use to satisfy your customers are called 'the 5 p's of marketing'. A company can mix these tactics however they want in order to create the most convenient marketing strategy. (Queensland Government, 2014.)



The 5P's Model

Figure 2. The 5P's Model

Queensland government (2014) explain the whole 5p's model on their website. The products of a company are the whole basis of their success. You have to be able to develop older ones and come up with new ones to fulfill the customers' needs. The product does not have to be the best in the market, as long as it has its place in the market. A great way to create demand is to combine product and service in a way that creates difference between you and your competitors. (ibid., 2014.)

Pricing strategy defines your customer base. Depending on whether you are selling high-end products or products for mass population, you have to identify how much your customer base is ready to pay for a product you are selling. In addition, you can have discounts and seasonal pricing in order to create demand. (Queensland Government, 2014.)

Promotion is everything that customers would address as 'marketing'. Advertising, direct marketing, promotion work, all of them are ways to create a satisfying image about your product for your customers. In order to promote your product successfully, you have to choose the marketing channel that reaches your target customers. (Queensland Government, 2014.)

Place is about your distribution channels. Again, you have to choose the distribution channel that is the most convenient for your target customers. It may be online store or maybe a

retail store designed so that it satisfy the eyes of your target customers. Finding a perfect location for your business is a key marketing tactic. (Queensland Government, 2014.)

The customer service of your company has a huge impact on your company's image. Excellent customer service creates regular customer base and through positive referrals the image of your brand improves. Recruit the right people and make sure your staff training is in order to create satisfied customers. (Queensland Government, 2014.)

3.6 SWOT

SWOT – analysis is one of the most used analysis methods in the world. It is a tool to recognize strengths, weaknesses, opportunities and threats of the company. In SWOT – analysis you examine the company's presence in the light of internal and external factors. Internal factors include strengths and weaknesses, whilst opportunities and threats are external factors. (Puustinen, 2004, 69.)

Business plan does not have to end to an abstract, since it should start with it. In this case, SWOT – analysis is a good way to end the business plan of a company. Strengths may describes companys and entrepreneurs resources and positive qualities, like original idea, creativity, experience and finance. Weaknesses may be the loss of funding, the early stage of product development or maybe the absence of a proper distribution channel. (Puustinen, 2004, 70.)

Opportunities are about the potential growth of target markets, future development of the company, and positive changes in the working environment. Threats are factors the company or the entrepreneur cannot have an effect on, like new laws, competitors or maybe oil crisis. (Puustinen, 2004, 70.)

3.7 Financial plan

The funding of a company is divided in two categories: income financing and capital financing. Income financing is capital that you get when you reduce costs from profits.

Capital Financing includes equity and finance capital. Finance capital may be short term, when it has to be paid back within a year, or long term, which has a payback period over a year. (Raatikainen, 2012, 118.)

For a continuous operation of a company it is good if an entrepreneur can put his own money into the company. Equity also includes entrepreneurs own property, that he invests into the company. Often company needs multiple shareholders, whose invested money is extremely important source of funding. In addition, venture capital is becoming more popular all the time. These investors called “business angels” often invests to companies for future profit. Finance capital includes bank loans, public financial support, and international financial institutions. (Raatikainen, 2012, 118 – 119.)

Financial need should be planned carefully before starting a business. After immediate investments the money should cover entrepreneur’s personal costs and the costs of running the business for at least 6 months after launch. Usually you have to wait even six months for the money inflow and costs are running the whole time. Often the entrepreneur has a small amount of money to invest to a company and tries to survive with the smallest possible amount of debt. These are the reasons why it takes time to get the business up and running properly. (Meretniemi & Ylönen, 2009, 76.)

Usually the entrepreneurs own investment is obligatory for outside investors. When making a financial plan you have to count the price of the money as well. Venture capitalists and other investors estimates the profitability of a start-up business and the interest depends on it. You can find business angels even in Finland. Usually they want a share of the company and operates as a consult for the company. (Meretniemi & Ylönen, 2009, 76.)

3.8 Profitability

Only existing demand does not guarantee the success of a company, it also has to be financially profitable. A company is financially profitable when profits are higher than costs. To get there, the product has to be sold at a price that covers all the production costs. In

addition, you have to take into account the prices of competitors' similar products.
(Holopainen & Levonen 2008, 65.)

In the beginning of a business it may have operating loss due to investment and product development costs, but a long term goal always has to be profit. That makes development of a company and employment hiring possible. When calculating all the costs you find out the minimum amount of profit needed to survive. You can affect profitability in two ways: Focus on increasing the sales or cutting the costs. (Meretniemi & Ylönen, 2009, 70.)

4 RESEARCH METHODS

Qualitative research

Qualitative research is a type of scientific research that collects evidence through observation and interviews, produces findings that were not determined in advance and seeks answers to a question. Three most common types of qualitative research are participant observation, which is good for natural behaviors in their usual environment, in-depth interviews, where both sides are interacting for wide data gathering, and focus groups that are good when exploring cultural behavior. (Northeastern University, 2012.)

Table 1. Comparison of quantitative and qualitative research approaches

	Quantitative	Qualitative
General framework	Seek to confirm hypotheses about phenomena Instruments use more rigid style of eliciting and categorizing responses to questions Use highly structured methods such as questionnaires, surveys, and structured observation	Seek to explore phenomena Instruments use more flexible, iterative style of eliciting and categorizing responses to questions Use semi-structured methods such as in-depth interviews, focus groups, and participant observation
Analytical objectives	To quantify variation To predict causal relationships To describe characteristics of a population	To describe variation To describe and explain relationships To describe individual experiences To describe group norms
Question format	Closed-ended	Open-ended
Data format	Numerical (obtained by assigning numerical values to responses)	Textual (obtained from audiotapes, videotapes, and field notes)
Flexibility in study design	Study design is stable from beginning to end Participant responses do not influence or determine how and which questions researchers ask next Study design is subject to statistical assumptions and conditions	Some aspects of the study are flexible (for example, the addition, exclusion, or wording of particular interview questions) Participant responses affect how and which questions researchers ask next Study design is iterative, that is, data collection and research questions are adjusted according to what is learned

Table 3. Comparison of quantitative and qualitative research approaches

The research method for this thesis will be interview, since it is the most convenient method for my purposes. Choosing the right interview type is an important step for a successful data gathering. Interviews can be highly formalized, like structured interviews, where you follow the standardized set of questions and record the answers on a standardized schedule. Semi-structured interviews have already determined themes and questions that has to be covered, but the order of the questions may change depending on the flow of the conversation. In-depth interviews are totally unstructured and the interviewee is free to talk about everything in relation to the topic area. (Saunders, Lewis & Thornhill, 2009, 320 – 321.)

Since I will interview professionals in restaurant business, as well as people that are interested in joining the business, I have to understand the reasons behind the answers of

my participants. In addition, establishing personal contact is an obligation in my case because of the open-ended questions and the need to interact with the participants. When the questions are complex or open-ended and the order of them may need to be varied, a semi-structured or an in-depth interview would be the most appropriate method. (Saunders et al. 2009, 323 – 325.)

I chose my participants due to the fact that they are familiar with the restaurant business and/or the markets in Jyväskylä. I did not interview my primary competitors, since they might have felt threatened and the data would not have been valid.

I did use my existing contacts and created new ones by simply walking into a restaurant and asked for the manager. One of the interviews was recorded and the rest are in notes. All the data can be found from the author.

5 CONCLUSIONS

While making this thesis I gained enormous amount of information about the business and about opening a restaurant. Frankly, my thesis does not give the full package for opening the restaurant, but it surely answers the question *how would a proper business plan be like*.

Would a sushi restaurant work in Jyväskylä is a question that will truly be answered only by executing the business plan. However, looking at the calculations and financial plans, it is safe to say that there is definitely a great possibility for Bula restaurant in Jyväskylä.

The largest obstacles I came across were investment calculations, since to get the data valid it needed professional advice. Thankfully, I found participants who could give advice through the financial plans, so the costs are valid and close to the reality. Of course, due to the price differences in services and location-wise they are estimations and cannot be taken as precise numbers.

Apart from the restaurant business, this thesis gave me excellent view on founding a company in general. Due to the short time-frame my research is not as thorough as it could be, but it surely gave me a good basis on doing a business plan. As countless failed entrepreneurs have stated, always do a business plan before starting your business.

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APPENDICES

Appendix 1. Business plan

Matti Laukkanen

BUSINESS PLAN FOR BULA RESTAURANT

Business plan
October 2014

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1 EXECUTIVE SUMMARY

This business plan model is taken from the restaurant manager's handbook by Douglas Brown (2007). Every step of the plan is described clearly in the book, which helped me to fill the plan thoroughly. Given the short timescale of this research and the early stage of this idea it does not include all the information you would need at the time you are actually opening the restaurant, like the thorough information of the premises, for example. However, in its early stage this plan creates a solid picture of the restaurant idea it presents.

The business plan is made with professionals in restaurant business, even though it mainly consist of my own ideas and consideration through observation. The interviews were executed face-to-face and through phone discussions. Interviewing professionals of restaurant business gave me extremely important thoughts and made my goals more realistic.

Mervi Kumpula is one of the two owners of Soppabaari, a well-known small-sized restaurant in the center of Jyväskylä. Mervi gave me valuable information about the markets in Jyväskylä and the cooperation between privately-owned restaurants in the city.

Mikko Putkonen is a possible partner & investor for Bula restaurant. As a master of business administration, he would be in charge of financial part of restaurant managing.

Satu Orava, a former owner of bar Paja. Satu informed me about the cost estimations when opening the restaurant in Jyväskylä.

Osman Acar, a former owner of ravintola Wirta. Osman gave me valuable information about the costs of opening the restaurants and the possible threats of a newly opened business.

Costs of opening a restaurant are estimated with interviewed restaurant owners. It is estimasted in the calculations that the business premises would include an air conditioning system suitable for a restaurant use. Building a proper AC system would double the costs of opening.

2 BUSINESS CONCEPT

2.1 MISSION STATEMENT

Bula will be the first Sushi & fusion-food –kitchen in Jyväskylä. Our target groups are 20-30 year old people with interests in food trends, and people in working life who eat their lunch outside. Bula will differ from the competitors with the extraordinary menu and the service.

Our contribution to a customer is a menu that has not been available in Jyväskylä. In addition, easy takeaway and good lunch offers are a part of our plan to make our service more convenient for customers.

Our staff will create the uniqueness of our restaurant by a special service. In addition to our extraordinary service, the menu, combining authentic sushi and other ethnic dishes with Finnish ingredients will make the difference between Bula and other restaurants. The restaurant will encourage customers to enjoy the Middle-European drinking habits and offering inexpensive wine, so you can sit down over a glass of wine for longer, enjoying the atmosphere.

2.2 BUSINESS GOALS AND OBJECTIVES

Due to the early stage of the idea, the main goal is to set an opening date for the restaurant. Main objectives in order to reach that goal would be:

- Find & renovate the suitable premises
- Design the layout
- Find the suitable workers
- Funding

After the opening, our primary long term goal is to break even.

2.3 GENERAL DESCRIPTION OF BUSINESS

Bula will be a 20-25 –seated restaurant in the center of Jyväskylä. It will serve authentic sushi dishes with a Finnish twist, and also other fusion kitchen meals. Bula will be open all year round, with 10-seated outdoor dining area during the summer season. The restaurant will offer inexpensive wine in order to encourage people to sit down for longer and enjoy the food & snacks. Bula will be owned and operated by me and a possible partner.

3 DESCRIPTION OF PRODUCTS AND SERVICES

3.1 FEATURES OF PRODUCTS/SERVICES

The advantage of the restaurant is an extraordinary menu. We will offer authentic sushi with a Finnish twist and make use of seasonal ingredients available (reindeer carpaccio, fresh water fish and mushrooms, for instance). In addition, the lunch menu will include a soup which ingredients a customer can choose by himself. Soup as a dish is easy to keep inexpensive and letting customers to choose their own ingredients for it makes the order different and interesting.

Sushi meals will be 8-12 pc and the menu will include special platters for multiple personnel. Every aspect of the menu will aim to make people surprised, intrigued and interested in the meal. Apart from the main dishes we will offer extraordinary snacks to enjoy with alcoholic beverages while chatting with a friend during a freezing winter evening.

Other main feature of the restaurant is that the staff aims to interact in an intimate and relatively informal manner. This feature has multiple reasons: firstly, it creates a relaxed atmosphere, which is definitely important for the comfort of our customers. Notice that being informal does not mean rude but familiar, friendly and easily approachable. Secondly, in front of unfamiliar and extraordinary dishes customers may hesitate and feel unease, ending up ordering something familiar. An intimate staff encourages to try something new, makes trying to eat with chopsticks fun and boosts customer's self-confidence to widen his culinary experiences.

3.2 BENEFITS TO CUSTOMERS

With quality ingredients we cannot have the lowest prices in the market. During lunch time our customers benefit from a convenient takeaway-menu, free coffee and clean, extraordinary food. They can choose the ingredients for their soup, which widens the variety of different kind of choices and combinations greatly.

We sell our wine almost at the same price we buy it in. Sitting down for a glass of wine has never been so appealing. In addition, we offer light dishes as well to satisfy even the smallest cravings our customers have whilst enjoying the evening.

People want to support local farmers more and more each day and still that is hard to do when you dine out in Jyväskylä. Dining in Bula gives you a chance to support small farmers, a chance to eat clean and to really know what you are eating. Our restaurant will have an open kitchen to raise the appetite and to create a possibility that you really can see what you eat.

4 MANAGEMENT STRUCTURE AND ORGANIZATION

4.1 LEGAL FORM

Mikko Putkonen and Mervi Kumpula are convinced that the legal form should be joint-stock company. It needs a bit more capital and more paperwork but it is still the most convenient business entity for a restaurant owner in Finland. In a joint-stock company you are not personally responsible for all the debts and assets your restaurant has.

4.2 MANAGEMENT AND PERSONNEL

Considering my wide experience in customer service and group leader positions I would be working mainly in customer service. In addition, I would plan the menu in cooperation with the chef and be in charge of marketing. My partner will be in charge of all the financial aspects of the company and help in customer service.

Apart from my partner, I and the chef we also need an extra cook to help in the kitchen, since sushi is not fast food. We will keep the amount of personnel in minimum. Possible students in the field are welcome to execute their practical training in our restaurant.

Making sushi is considered as an art form of some sort, so the chef must be chosen carefully. In addition, being able to sell alcohol in Finland requires that one of the employees has a required amount of experience in the restaurant business. In our restaurant the chef will be experienced enough that we are able to offer alcoholic beverages.

5 MARKETING

5.1 INDUSTRY DESCRIPTION

Restaurant business in Jyväskylä is mainly led by Keskimaa with nine popular restaurants in the city. Privately owned restaurants can compete with their uniqueness and strong cooperation. For example, all the clubs that have live music tend to feed their musicians in Soppabaari, a privately owned small restaurant.

5.2 COMPETITION

Our closest direct competitors are two thai-cuisine restaurants in the center of Jyväskylä, who offer sushi in their lunch buffet. They offer sushi in their menu through the day, but the prices are really high considering the quality. Still, sushi is one of the main attractions of their buffets and a real sushi restaurant would decrease their amount of customers rather significantly.

In-direct competitors are Kalaliike Mäkinen, who sells good quality sushi to-go at a very high price, and a small entrepreneur who sells ready-made sushi packages in Mestarin Herkku. In addition, restaurants like Revolution and Food are trendy places where you can go and chill

in the evening while having a meal and a glass of wine. Their meals are mainly American-style mainstream food.

5.3 MARKETING STRATEGIES

There are over 30 000 18-30 year-old students in Jyväskylä, and the number is increasing every year. This is our main target group. Apart from the students, the other target group is people in working life, who tend to enjoy their lunch outside.

Students are targeted by offering a trendy atmosphere with inexpensive alcoholic beverages and popular food. Considering contemporary restaurants in Jyväskylä the students tend to visit places with inexpensive wine. These places do not offer any real food or extraordinary snacks, which is our largest advantage.

At lunchtime people are encouraged to eat in our restaurant by offering a lunch deal. It will have a standard price amongst other lunch restaurants, but the food is extraordinary. In addition, our takeaway-meals will be more inexpensive, 6-8 euro.

Cooperation with local producers and farmer will boost our PR greatly. It will give us a positive image and publicity amongst people living nearby. Using Finnish ingredients is greatly appreciated.

Our promotion before the opening will happen mainly in social media. We will use Facebook, Instagram and Twitter in our campaign, which will reach the majority of our target groups. In our Public Relations – program we will gather cooperation partners for common events. When the restaurant is up-and-running we will notice frequent customers by giving them discount. Word of mouth is our strongest marketing tactic and it will be executed by extraordinary service.

Delivering lunch to companies is another marketing strategy of ours. With us a company can make a deal that the lunch for all the workers is delivered to the company premises. It is convenient for the company and more and more people may experience our food. This is the

main marketing technique Soppabaari uses in Jyväskylä, and it has been working fantastically without any effort in social media or in other marketing channels.

6 SWOT

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • New business • The difference • Using local producers • Highly motivated staff • Service 	<ul style="list-style-type: none"> • Niche target market • No entrepreneurial experience
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • To grow and open another restaurant • To achieve cult-status • Strong cooperation between private-owned restaurants in Jyväskylä 	<ul style="list-style-type: none"> • Rising amount of sushi-restaurants in Finland • Always changing food trends • The strength of Kesimaa in Jyväskylä's restaurant business

7 CONCLUSIONS

Bula restaurant would have an extremely promising start in Jyväskylä. The most challenging part would be finding the correct premises. The professionals I interviewed think that we could cut the costs by trying to find the premises a bit further from the center, because an extraordinary place like ours would lure people in even without locating in the very center.

When starting this business it is estimated to turn profitable in around three years. After that, we would be ready to open another one in Finland, most likely in Tampere. Still, the most valuable lesson of all the interviewees was to gain experience in restaurant business before starting your own. This is the reason I will not put this business plan in action immediately, but will gain experience in food and restaurant business in other ways.

REFERENCES

- Brown, D. 2007. The restaurant manager's handbook. Ocala: Atlantic Publishing.
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Appendix 2. Financial plan

NEED FOR MONEY			
Investoinnit	intangible assets	company registering consulting services others	330 0 0
	machinery & equipment	production IT and cash registers Furniture Phone	16000 3500 3350 200
	Other costs	Renovation costs	16000
budget 1-3kk	marketing	Marketing material Start-up marketing	1600 175
	Rent	Rent of premises Rent of machinery / leasing	20 000 600
	Salaries	Worker salaries Entrepreneurs own income	12528 12528
	Other tangible costs		600
Money requirements	Stock		2000
	Cashier		250
Need for money in total			89661,00

SOURCES OF MONEY			
Own Capital	Stock		2500
	Own investments		0
	Own machinery		0
	Other		0
Loan capital	Investor loan		0
	Bank loan		87161
	Finnvera		0
	other		0
Sources of money in total			89661,00

Appendix 3. Profitability calculation

Matti Laukkanen							Monthly	Yearly
=Estimated net income							4 500	54 000
+ Loan reduction	Time of loan	20	v	Loa n amo unt	871 61	€	363	4 358
= Income before taxes	Tax	24	%				4 863	58 358
+ Taxes							1 536	18 429
= Gross Income	Intere st	1,99	%				6 399	76 787
+ Company loan interest							145	1 735
A = Operating profit requirement							6 543	78 521
+ Tangible costs								
- Y E L	Entrepreneurs income	4 176	€	Yel costs	23,6	%	82	986
							213	2 556
							4 176	50 112
							359	4 310
							5 000	60 000
							0	
							40	480
							50	600
							30	360
							30	360
							50	600
							0	0
							0	0
							0	0
							12	144
							280	3 360
							200	2 400

B = Tangible costs in total			10 522	126 267
A+B = Sales margin need			17 066	204 789
+ purchases	€	or	cove r%	75
=Revenue			5 689	68 263
+ VAT	24 %		22 754	273 051
= Total sales			5 461	65 532
Monthly sales objective		Amount of months / Y	28 215	338 584
Daily sales objective		Amount of days / M	12	28215
Hourly sales objective		Amount of hours/ D	30	941
			10	94